

122 W. Washington Avenue Suite 300 Madison, Wisconsin 53703-2715

608/267-2380 800/991-5502 Fax: 608/267-0645

E-mail: league@lwm-info.org www.lwm-info.org

To: Assembly Committee on Urban and Local Affairs

From: Curt Witynski, Assistant Director, League of Wisconsin Municipalities

Date: September 27, 2011

Re: AJR 41, Making it Easier for Communities to Consolidate.

The League of Wisconsin Municipalities supports AJR 41 and urges you to recommend adoption of this constitutional amendment making it easier for two or more communities to consolidate into one.

There are currently two statutory methods by which communities may merge. These are ss. 66.0229 and 66.0230. However, consolidation attempts and successes using these two methods have been rare. The Town and Village of Rochester successfully consolidated in 2009. However, they consolidated outside of the statutory process by utilizing special legislation as part of the 2007-09 state budget Act.

The number one reason consolidation efforts fail is concern by residents in one of the communities that their property taxes will increase. This is the reason that the City of Verona and Town of Verona efforts failed in a 2008 referendum. It is a big reason why the Village of Pewaukee and City of Pewaukee's consolidation efforts have stalled.

AJR 40 would allow local governments to address this biggest stumbling block to consolidation. The amendment creates an exception to the "uniformity clause." The exception would allow a recently consolidated community to establish a different tax rate in the newly added part of the community for a period of time, such as twelve years. This would allow the newly consolidated community to blend the tax rates of the two former communities into one over a period of time.

Former Rep. Scott Newcomer introduced this constitutional amendment the past two sessions. In the 2007 session the Assembly passed the amendment unanimously. Despite receiving a unanimous Senate committee recommendation, the amendment was never scheduled for a floor vote in the Senate that session.

We strongly urge you to recommend passage of this bipartisan piece of legislation. Thanks for considering our comments.